

## Expenditure Summary

### C. Total Operating Budget

Figure 8b-9 lists the 2015-2016 total City budgeted **operating expenditures and reserves by fund** and compares them with the 2013-2014 Amended budget, showing dollar and percentage changes.

Figure 8b-10 provides a graphic display of the portion of the City's budgeted operating resources comprised by source and the portion of expenditures comprised by group, including dollars and percentage of total.

### D. Total Special Purpose Budget

Figure 8b-11 lists the 2015-2016 total City's budgeted **special purpose expenditures by fund** and compares them with the 2013-2014 Amended Budget, showing dollar and percentage changes.

Figure 8b-12 provides a graphic display of the portion of City's budgeted special purpose resources comprised by source and the portion of expenditures comprised by group, including dollars and percentage of total.

### E. Total Capital Investment Budget

Figure 8b-13 lists the City's 2015-2016 total budgeted **capital investment program expenditures by Outcome** and compares them with the 2013-2014 Amended Budget, showing dollar and percentage changes.

Figure 8b-14 provides a graphic display of the portion of City's budgeted capital investment program resources comprised by source and expenditures comprised by Outcome, including dollars and percentage of total.

### F. Total Debt Information – Based on Statutory Limits

Figure 8b-15 displays the City's total **statutory debt capacity and debt issued** as of January 1, 2015, comparing general government, parks and open space, and utility system use of debt capacity.

Figure 8b-16 lists the City's **general obligation and revenue bond issuance** amount and date, maturity date, interest rate, source of funding and debt service requirements for 2015-2016 by bond.

Figure 8b-17 displays the City's **annual debt service requirements** for existing non-voted general obligation bonds from 2015 through 2044 and lists the city's bond ratings.



## Expenditure Summary

### A. Budget By Outcome and Department

**Figure 8b-1**  
**2015-2016 Budget Operating and Special Purpose Funds**

Operating & Special Purpose Funds	Safe Community	Improved Mobility	Healthy & Sustainable Environment	Innovative, Vibrant & Caring Community	Quality Neighborhoods	Economic Growth & Competitiveness	Responsive Government	Total	%
City Attorney	\$3,916,393	\$0	\$0	\$0	\$0	\$0	\$12,596,462	\$16,512,855	2.3%
City Clerk	0	0	0	0	0	0	4,303,386	4,303,386	0.6%
City Council	0	0	0	0	0	0	769,244	769,244	0.1%
City Manager	0	0	0	30	0	0	4,754,416	4,754,446	0.7%
Civic Services	30,345	0	0	0	0	71,746	30,609,492	30,711,583	4.3%
Community Council	0	0	0	0	0	0	8,284	8,284	0.0%
Development Services	11,098,959	0	175,000	0	1,750,725	9,256,972	7,774,834	30,056,490	4.2%
Finance	0	0	0	0	0	26,269,500	17,074,137	43,343,637	6.0%
Fire	79,550,030	0	0	155,932	0	903,337	357,743	80,967,042	11.3%
Human Resources	0	0	0	122,210	0	0	55,653,083	55,775,293	7.8%
Information Technology	215,000	0	257,811	0	0	380,997	22,110,435	22,964,243	3.2%
Miscellaneous Non-Departmental	2,371,756	0	0	0	0	0	31,023,213	33,394,969	4.7%
Parks & Community Services	3,066,558	0	5,567,103	65,188,826	3,933,374	0	846,200	78,602,061	11.0%
Planning & Community Development	0	601,841	216,321	6,365,587	0	1,276,842	2,421,563	10,882,154	1.5%
Police	67,488,324	0	0	0	0	0	0	67,488,324	9.4%
Transportation	5,459,358	39,155,311	766,687	0	0	2,738,454	1,189,904	49,309,714	6.9%
Utilities	1,181,773	0	183,062,846	1,417,622	0	1,079,218	1,233,180	187,974,639	26.2%
<b>Total Operating &amp; Special Purpose Fund Proposals</b>	<b>\$174,378,496</b>	<b>\$39,757,152</b>	<b>\$190,045,768</b>	<b>\$73,250,207</b>	<b>\$5,684,099</b>	<b>\$41,977,066</b>	<b>\$192,725,576</b>	<b>\$717,818,364</b>	<b>100.0%</b>
<b>Percent of Total</b>	<b>24.3%</b>	<b>5.5%</b>	<b>26.5%</b>	<b>10.2%</b>	<b>0.8%</b>	<b>5.8%</b>	<b>26.8%</b>	<b>100.0%</b>	
*Technical Adjustments								1,024,963	
Net Operating and Special Purpose Funds								718,843,327	
Total Operating & Special Purpose Fund Interfunds								183,479,774	
2016 Reserves								104,279,555	
<b>Total Operating and Special Purpose Funds</b>								<b>1,006,602,656</b>	

\* Technical Adjustments include the exclusion of reserves from proposals and other miscellaneous transactions

Figures may not foot due to rounding.



## Expenditure Summary

### B. Total Budget

**Figure 8b-2**  
**2016 FTE Comparison by Outcome and Department**

	Safe Community	Improved Mobility	Healthy and Sustainable Environment	Innovative Vibrant and Caring Community	Quality Neighborhoods	Economic Growth and Competitiveness	Responsive Government	Total	%
City Attorney	8.00	-	-	-	-	-	17.60	<b>25.60</b>	<b>2.0%</b>
City Clerk	-	-	-	-	-	-	15.75	<b>15.75</b>	<b>1.2%</b>
City Council	-	-	-	-	-	-	7.00	<b>7.00</b>	<b>0.5%</b>
City Manager	-	-	-	-	-	-	11.00	<b>11.00</b>	<b>0.8%</b>
Civic Services	-	-	-	-	-	0.25	64.35	<b>64.60</b>	<b>4.9%</b>
Finance	-	-	-	-	-	-	47.00	<b>47.00</b>	<b>3.6%</b>
Fire	238.56	-	-	0.75	-	3.00	1.00	<b>243.31</b>	<b>18.6%</b>
Human Resources	-	-	-	-	-	-	14.80	<b>14.80</b>	<b>1.1%</b>
Information Technology	-	-	-	-	-	-	58.75	<b>58.75</b>	<b>4.5%</b>
Parks & Community Services	12.00	-	15.00	131.03	7.00	-	-	<b>165.03</b>	<b>12.6%</b>
Development Services	43.00	-	-	-	7.00	36.10	22.75	<b>108.85</b>	<b>8.3%</b>
Planning & Community Development	-	2.00	0.90	19.11	-	3.00	3.00	<b>28.01</b>	<b>2.1%</b>
Police	222.00	-	-	-	-	-	-	<b>222.00</b>	<b>17.0%</b>
Transportation	11.00	96.91	3.00	-	-	9.10	4.00	<b>124.01</b>	<b>9.5%</b>
Utilities	5.27	-	154.15	0.70	-	4.60	5.03	<b>169.75</b>	<b>13.0%</b>
Miscellaneous Non-Departmental	-	-	-	-	-	-	1.00	<b>1.00</b>	<b>0.1%</b>
<b>Total</b>	<b>539.83</b>	<b>98.91</b>	<b>173.05</b>	<b>151.59</b>	<b>14.00</b>	<b>56.05</b>	<b>273.03</b>	<b>1,306.46</b>	<b>100.0%</b>
<b>Percent of Total</b>	<b>41.3%</b>	<b>7.6%</b>	<b>13.2%</b>	<b>11.6%</b>	<b>1.1%</b>	<b>4.3%</b>	<b>20.9%</b>	<b>100.0%</b>	

Figures may not foot due to rounding.



## Expenditure Summary

**Figure 8b-3**  
**Budget Summary**  
**\$000**

	2013-2014	2013-2014	2014	2013-2014	2015-2016	2015-2016	2016	2015-2016	Net of Double Budgeting and Reserves	
<u>TOTAL CITY BUDGET</u>	<u>Amended Budget</u>	<u>Double-Budgeting*</u>	<u>Reserves</u>	<u>Budget Net of Double Budgeting</u>	<u>Budget</u>	<u>Double-Budgeting</u>	<u>Reserves</u>	<u>Budget Net of Double Budgeting</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Operating Funds</b>										
General	\$352,639	(\$54,437)	(\$20,702)	\$277,499	\$384,404	(\$58,714)	(\$23,149)	\$302,540	\$25,041	9.0%
Utilities	268,989	(69,735)	(19,966)	179,288	\$291,509	(78,682)	(24,853)	187,975	8,687	4.8%
Development Services	40,177	(11,463)	(5,019)	23,695	\$54,954	(15,289)	(9,609)	30,056	6,361	26.8%
Parks Enterprise	14,067	(3,919)	(1,433)	8,715	\$13,846	(3,236)	(1,059)	9,551	836	9.6%
Internal Services	77,100	(9,311)	(13,482)	54,307	\$79,126	(8,642)	(11,602)	58,881	4,574	8.4%
Other Operating	123,819	(27,759)	(31,757)	64,304	\$130,311	(16,439)	(23,027)	90,845	26,541	41.3%
<b>Total Operating Budget</b>	<b>\$876,790</b>	<b>(\$176,624)</b>	<b>(\$92,358)</b>	<b>\$607,808</b>	<b>\$954,150</b>	<b>(\$181,003)</b>	<b>(\$93,299)</b>	<b>\$679,848</b>	<b>\$72,040</b>	<b>11.9%</b>
<b>Special Purpose Funds</b>										
Grants	\$8,853	(\$578)	(\$49)	\$8,225	\$5,951	(\$1,128)	(\$839)	\$3,984	(\$4,242)	(51.6%)
Debt Service	48,578	(358)	(1,421)	46,799	34,002	(1,339)	(729)	31,933	(14,865)	(31.8%)
Trust/Other	12,737	(10)	(9,176)	3,551	12,500	(10)	(9,412)	3,078	(473)	(13.3%)
<b>Total Special Purpose Budget</b>	<b>\$70,168</b>	<b>(\$946)</b>	<b>(\$10,646)</b>	<b>\$58,575</b>	<b>\$52,453</b>	<b>(\$2,477)</b>	<b>(\$10,980)</b>	<b>\$38,995</b>	<b>(\$19,580)</b>	<b>(33.4%)</b>
<b>Capital Project Funds</b>										
General Capital Investment Program	\$237,817	(\$40,440)	\$0	\$197,377	\$226,597	(\$41,911)	(\$6,507)	\$178,179	(\$19,198)	(9.7%)
Utility Capital Investment Program	\$161,016	(11,692)	(95,112)	54,212	\$225,853	(7,191)	(151,237)	67,425	13,213	24.4%
<b>Total Capital Project Fund Budget</b>	<b>\$398,834</b>	<b>(\$52,132)</b>	<b>(\$95,112)</b>	<b>\$251,590</b>	<b>\$452,450</b>	<b>(\$49,102)</b>	<b>(\$157,744)</b>	<b>\$245,604</b>	<b>(\$5,984)</b>	<b>(2.4%)</b>
<b><u>TOTAL CITY BUDGET</u></b>	<b><u>\$1,345,791</u></b>	<b><u>(\$229,702)</u></b>	<b><u>(\$198,117)</u></b>	<b><u>\$917,973</u></b>	<b><u>\$1,459,053</u></b>	<b><u>(\$232,581)</u></b>	<b><u>(\$262,024)</u></b>	<b><u>\$964,448</u></b>	<b><u>\$46,476</u></b>	<b><u>5.1%</u></b>

Figures may not foot due to rounding

\*The budget is adjusted to remove internal transactions between City funds including transfer between funds and changes for service provided by one fund to another within the City.



## Expenditure Summary

**Figure 8b-4**

**2015-2016 Total City Budget**

**Resources by Source & Expenditures by Outcome**

**\$000**

	Operating Funds		Special Purpose Funds		Capital Funds		Total Budgets			
	2013-2014 Amended Budget	2015-2016 Budget	2013-2014 Amended Budget	2015-2016 Budget	2013-2014 Amended Budget	2015-2016 Budget	2013-2014 Amended Budget	2015-2016 Budget	\$ Change	% Change
<b>Beginning Fund Balance</b>	\$98,637	\$99,107	\$12,347	\$12,323	\$108,057	\$137,944	\$219,041	\$249,373	\$30,332	13.8%
<b>Revenues by Source</b>										
Property Tax	\$70,374	\$73,847	\$0	\$0	\$6,778	\$6,778	\$77,152	\$80,625	\$3,473	4.5%
Sales Tax	74,223	84,565	200	200	24,410	29,517	98,833	114,282	15,449	15.6%
Business & Occupation Tax	41,709	45,937	0	0	15,057	16,537	56,766	62,474	5,707	10.1%
Utility Taxes	53,961	54,923	0	0	0	0	53,961	54,923	962	1.8%
Other Taxes	30,651	35,267	1,000	950	25,324	27,797	56,975	64,014	7,040	12.4%
Grants	698	629	7,248	4,669	30,135	35,754	38,081	41,051	2,971	7.8%
Intergovernmental Services	39,117	41,089	1,118	1,254	2,955	8,389	43,191	50,733	7,542	17.5%
Charges for Services	116,464	131,958	40	40	8,067	11,040	124,571	143,038	18,467	14.8%
Utility Services Fees	233,085	263,451	0	0	4,688	4,595	237,773	268,046	30,273	12.7%
Miscellaneous Revenues	93,449	103,156	3,277	1,574	7,154	6,844	103,880	111,574	7,694	7.4%
Short-Term Debt	0	0	0	0	28,415	0	28,415	0	(28,415)	(100.0%)
Long-Term Debt	0	8,500	0	0	82,272	102,950	82,272	111,450	29,178	35.5%
Operating Transfers	24,422	11,723	44,938	31,443	55,521	64,305	124,881	107,471	(17,410)	(13.9%)
<b>Total Revenues</b>	<b>\$778,153</b>	<b>\$855,043</b>	<b>\$57,821</b>	<b>\$40,130</b>	<b>\$290,776</b>	<b>\$314,507</b>	<b>\$1,126,750</b>	<b>\$1,209,680</b>	<b>\$82,930</b>	<b>7.4%</b>
<b>Total Resources</b>	<b>\$876,790</b>	<b>\$954,150</b>	<b>\$70,168</b>	<b>\$52,453</b>	<b>\$398,834</b>	<b>\$452,450</b>	<b>\$1,345,791</b>	<b>\$1,459,053</b>	<b>\$113,263</b>	<b>8.4%</b>
<b>Expenditures by Outcome</b>										
Safe Community	\$155,343	\$172,516	\$3,433	\$1,863	\$5,361	\$11,968	\$164,137	\$186,346	\$22,209	13.5%
Improved Mobility	42,518	39,706	356	51	137,201	95,110	180,076	134,867	(45,208)	(25.1%)
Healthy and Sustainable Environment	227,359	190,046	170	0	54,113	74,616	281,642	264,662	(16,980)	(6.0%)
Innovative Vibrant and Caring Community	64,890	70,334	3,430	2,917	42,040	41,596	110,361	114,847	4,486	4.1%
Quality Neighborhoods	8,503	5,684	0	0	2,000	2,650	10,503	8,334	(2,169)	(20.6%)
Economic Growth and Competitiveness	29,757	41,977	0	0	100	9,373	29,857	51,350	21,494	72.0%
Responsive Government	156,991	160,292	47,262	32,433	9,545	11,544	213,798	204,269	(9,529)	(4.5%)
<b>Total Expenditures By Outcome</b>	<b>\$685,360</b>	<b>\$680,554</b>	<b>\$54,652</b>	<b>\$37,264</b>	<b>\$250,361</b>	<b>\$246,857</b>	<b>\$990,372</b>	<b>\$964,676</b>	<b>(\$25,697)</b>	<b>(2.6%)</b>
<b>Interfunds and Other Expenditures</b>	<b>\$99,071</b>	<b>\$180,296</b>	<b>\$4,870</b>	<b>\$4,208</b>	<b>\$53,360</b>	<b>\$47,849</b>	<b>\$157,301</b>	<b>\$232,354</b>	<b>\$75,052</b>	<b>47.7%</b>
<b>Ending Fund Balance*</b>	<b>\$92,358</b>	<b>\$93,299</b>	<b>\$10,646</b>	<b>\$10,980</b>	<b>\$95,112</b>	<b>\$157,744</b>	<b>\$198,117</b>	<b>\$262,024</b>	<b>\$63,907</b>	<b>32.3%</b>
<b>Total Expenditures</b>	<b>\$876,790</b>	<b>\$954,150</b>	<b>\$70,168</b>	<b>\$52,453</b>	<b>\$398,834</b>	<b>\$452,450</b>	<b>\$1,345,791</b>	<b>\$1,459,053</b>	<b>\$113,263</b>	<b>8.4%</b>

Figures may not foot due to rounding

\*2013-2014 Ending Fund Balances do not match 2015-2016 Beginning Fund Balances because the budgets were developed at different times and the 2015-2016 Beginning Fund Balance reflects updated 2014 Ending Fund Balance projections.



## Expenditure Summary

**Figure 8b-5**  
**2015-2016 Total City Budget**  
**Expenditures and Reserves by Category**  
**\$000**

Figure 8b-5 shows the City's total expenditure budget by category and compares the Amended 2013-2014 and 2015-2016 biennial budgets, including dollar and percentage changes.

In comparison to the Amended 2013-2014 Budget, 2015-2016 personnel grew 11.2 percent (\$39 million) primarily as a result of salary increases (resulting from inflation), merit increases, and medical benefit and pension cost increases.

Overall, maintenance and operations (M&O) costs are 7.4 percent more, primarily as a result of operating transfers to other funds (due to borrowing revenue and the transfer of this revenue from one fund to another), debt service payments and other intergovernmental services & taxes.

	<b>2013-2014 Amended Budget</b>	<b>2015-2016 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Personnel</b>				
Salaries	\$212,841	\$230,992	\$18,152	8.5%
Medical	69,515	84,118	14,603	21.0%
Pensions	31,297	35,535	4,238	13.5%
Temporary Help	8,392	7,234	(1,158)	(13.8%)
Other (Medicare, Workers' Comp, etc.)	16,682	19,097	2,415	14.5%
Overtime	7,305	7,752	447	6.1%
<b>Subtotal Personnel</b>	<b>346,031</b>	<b>384,728</b>	<b>38,697</b>	<b>11.2%</b>
<b>M&amp;O</b>				
Outside Services	101,667	108,772	7,105	7.0%
Interfund Service Payments	90,816	123,787	32,971	36.3%
Operating Transfer to Other Funds	125,876	108,794	(17,082)	(13.6%)
Supplies	51,038	57,125	6,087	11.9%
Other Services & Charges	24,487	26,797	2,309	9.4%
Debt Service	46,848	47,298	449	1.0%
Repairs and Maintenance	17,072	18,253	1,182	6.9%
Utilities	18,708	19,640	932	5.0%
Other Intergovernmental Services & Taxes	54,307	59,609	5,302	9.8%
Jail Costs	1,640	1,807	167	10.2%
Communication Services	2,389	2,574	185	7.7%
Travel/Training	2,015	2,192	176	8.7%
<b>Subtotal M&amp;O</b>	<b>536,863</b>	<b>576,647</b>	<b>39,784</b>	<b>7.4%</b>
<b>Capital Outlays</b>	<b>264,702</b>	<b>235,654</b>	<b>(29,048)</b>	<b>(11.0%)</b>
<b>Reserves</b>	<b>198,194</b>	<b>262,024</b>	<b>63,830</b>	<b>32.2%</b>
<b>Total City Budget</b>	<b>\$1,345,791</b>	<b>\$1,459,053</b>	<b>\$113,263</b>	<b>8.4%</b>

Figures may not foot due to rounding

\*Does not adjust for double budgeting. Net total City budget growth is 5.1% without double budgeting as shown on Figure 8b-3.



# Expenditure Summary

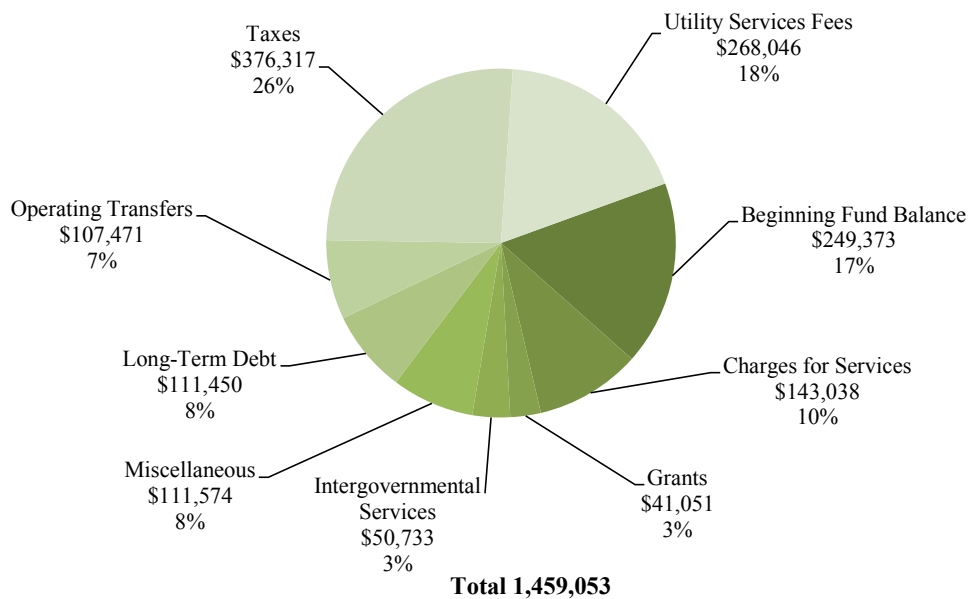
**Figure 8b-6**

**2015-2016 Total City Budget  
Resources by Source and Expenditures by Category  
\$000**

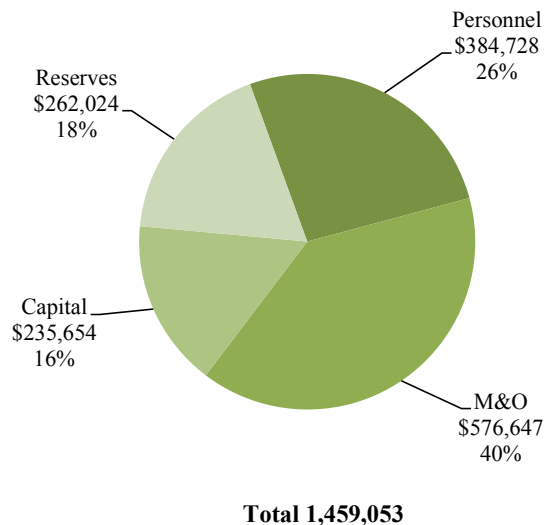
Figure 8b-6 presents the 2015-2016 total city budgeted resources (by source) and expenditures (by category). As the resources chart indicates, taxes make up the largest slice of the pie at 26 percent (\$376 million), followed by utility services fees at 18 percent (\$268 million) and beginning fund balance at 17 percent (\$249 million).

On the expenditure chart, maintenance and operations accounts for 40 percent (\$577 million) of the expenditure budget, followed by personnel at 26 percent (\$385 million).

## Resources



## Expenditures





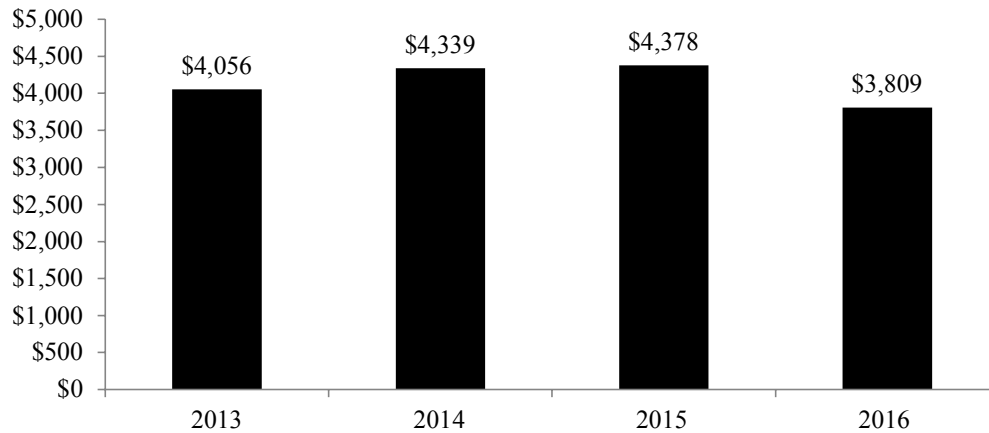
## Expenditure Summary

**Figure 8b-7**

### **Total Budget Comparison Constant Dollar Total Budget Per Capita**

Figure 8b-7 displays a 2013 to 2016 comparison of the total city budget (excluding reserves) per capita in 2013 dollars (adjusted for inflation).

#### **Total Budget per Capita**



	2013	2014	2015	2016
Total City Budget (\$000)	\$543,309	\$604,364	\$630,438	\$566,591
Budget in 2013 \$ (\$000)	535,808	583,190	594,783	523,040
Population	132,100	134,400	135,849	137,315
Total Budget per Capita	\$4,056	\$4,339	\$4,378	\$3,809



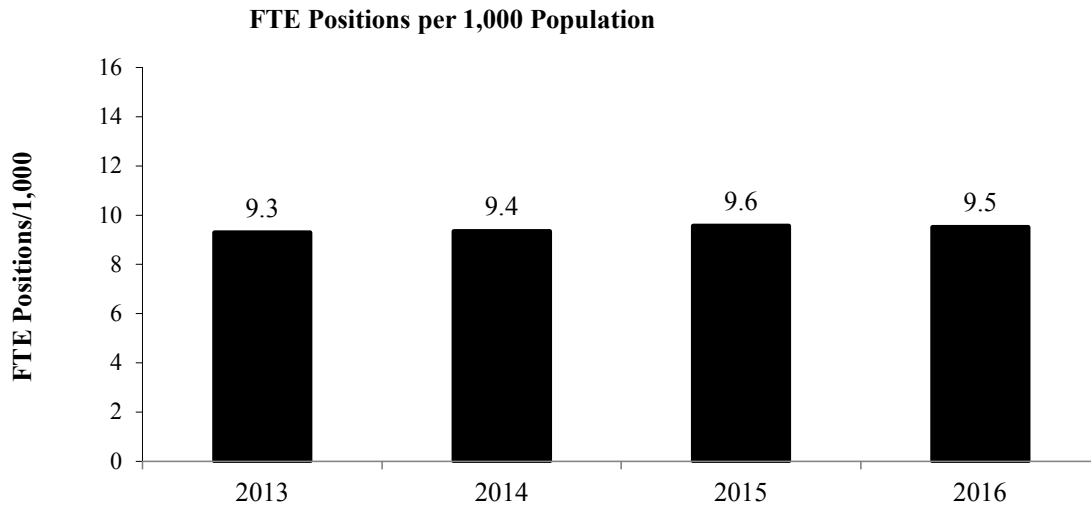


## Expenditure Summary

**Figure 8b-8**

**Total Budget Position Trends**  
**Full-Time Equivalent Positions per 1,000 Population**

Figure 8b-8 presents total city position data per 1,000 population. The 2013-2014 populations include annexations.



	Adopted 2013	Mid-Bi 2014	Budget 2015	Budget 2016
Positions	1,228	1,257	1,299	1,306
Population	132,100	134,400	135,849	137,315
Positions/1,000	9.3	9.4	9.6	9.5



## Expenditure Summary

### C. Total Operating Budget

**NOTE:** This section compares the 2015-2016 Proposed Budget to the 2013-2014 Amended Budget. This section differs from the Forecast section (Chapter 7) in that the Forecast compares to projected 2014 year end.

As shown in [Figure 8b-9](#), the 2015-2016 operating budget totals \$953 million, an increase of 8.7 percent over the prior biennium. Inflation, rising wholesale costs, increased reserves, and technical adjustments account for most of the increase. The highlights are discussed below.

#### General Fund

The General Fund shows a two-year increase of \$31 million over 2013-2014. Salary and benefit costs due to inflation (COLA) and the addition of nearly 30 FTEs/LTEs make up the bulk of the increase, including health benefits costs and state pension cost increases. Other cost increases include equipment and infrastructure repair, maintenance and replacement, utilities and outside services.

#### Utilities Funds

The utilities funds show an overall budget increase, primarily attributable to costs associated with purchased water from the Cascade water alliance, King County Metro wastewater treatment costs, and increase in the CIP program. Payments to Cascade and King County represents about 37% of the utility operating budget. The Solid Waste fund reflects an increase in fund balance resulting from prior years savings.

#### Development Services Fund

The 2015-2016 Development Services budget reflects a continued high level of development activity. To meet the demand, an increase in permit review and inspection staffing levels is included in the budget. Reserves reflect the most recent rapid development growth in Bellevue and assure that staffing levels will keep pace with activity through the development cycle. Reserves also fund the Development Services Center, capital equipment and technology systems.

#### Parks Enterprise Fund

Parks Enterprise Fund balances were reduced in 2014 as reserves were transferred to the Parks Enterprise Facility Improvement CIP (P-R-2) to construct driving range improvements at the Bellevue Golf Course. The fund balance included in the Budget continues to meet Parks Enterprise Fund reserve targets of 2 months operating expenses.

#### Internal Services Funds

The decrease in expenditures in the Equipment Rental Fund from 2013-2014 is due to use of reserves for planned equipment replacement.

#### Information Technology Fund

The IT fund shows an overall budget increase primarily due to added resources for the council priority broadband fiber and franchise program, and adjustments to timing of IT equipment replacements (funded by replacement reserves).



## Expenditure Summary

### Other Operating Funds

The Franchise Fund is being closed based on the determination by the State Auditor that due to GASB 54 the fund activities no longer qualified as a Special Purpose Fund. The cable franchise revenues are now being receipted directly in the General Fund.

The Health Benefits Fund is in a transition year. While the escalation of the fund has slowed between the 2013-14 and the proposed 2015-16 budgets, the figures allocated ensure the City is appropriately conservative in maintaining adequate funds for claims and other expenses. The city commits to continue to use actuarial guidance when formulating the Health Benefits fund budget.

The Hotel/Motel Taxes Fund increase is due to projected increases in Transient Occupancy Tax (TOT) and \$8.5M in planned bond proceeds to be issued in 2015 for Convention Center renovations.

The Human Services Fund shows an increase due to fund increases for inflation, population growth and annexation-generated population increases, as well as a modest increase in fund balance due to the timing of various contracts.

The Land Purchase Revolving fund is increasing slightly due to projected increases in fund balance as property rental revenues (including Bayvue Village apartments) exceeds operating expenses.

The LEOFF 1 Medical Reserve Fund decrease reflects the expected use of fund balance over the next biennium. The City currently uses a pay-as-you-go approach to fund these benefits based on the City Council policy decision to discontinue pre-funding this expense.

The Parks Maintenance & Operations Fund shows little change due to M&O expenses for completed parks levy projects fully offsetting the annual proceeds from the 2008 Parks Levy.

The Risk Funds (General Self-Insurance, Unemployment Compensation and Workers' Compensation Funds) show little change based on the leveling-off of claims in all three risk funds, as well as the most current actuarial review of reserve requirements.



## Expenditure Summary

Figure 8b-9

**2015-2016 Total Operating Budget  
Expenditures and Reserves by Fund  
\$000**

<b><u>Operating Budget</u></b>	<b><u>2013-2014 Amended Budget</u></b>	<b><u>2015-2016 Budget</u></b>	<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
<b>General Fund</b>	\$352,639	\$384,404	\$31,765	9.0%
<b>Utilities</b>				
Water Utility Fund	\$103,945	\$115,017	\$11,073	10.7%
Sewer Utility Fund	115,135	124,030	8,895	7.7%
Storm & Surface Water Utility Fund	47,309	49,218	1,909	4.0%
Solid Waste Fund	2,600	3,244	644	24.8%
<b>Subtotal Utilities</b>	<u>\$268,989</u>	<u>\$291,509</u>	<u>\$22,520</u>	<u>8.4%</u>
<b>Development Services Fund</b>	\$40,177	\$54,954	\$14,777	36.8%
<b>Parks Enterprise Fund</b>	\$14,067	\$13,846	(\$221)	(1.6%)
<b>Internal Services</b>				
Equipment Rental Fund	\$30,684	\$29,661	(\$1,024)	(3.3%)
Facilities Services Fund	14,770	15,190	420	2.8%
Information Technology Fund	31,646	34,275	2,629	8.3%
<b>Subtotal Internal Services</b>	<u>\$77,100</u>	<u>\$79,126</u>	<u>\$2,026</u>	<u>2.6%</u>
<b>Other Operating Funds</b>				
Franchise Fund	3,798	0	(3,798)	(100.0%)
General Self-Insurance Fund	9,608	8,920	(687)	(7.2%)
Health Benefits Fund	50,352	56,105	5,753	11.4%
Hotel/Motel Taxes Fund	21,031	29,665	8,633	41.0%
Human Services Fund	8,458	9,458	999	11.8%
Land Purchase Revolving Fund	3,297	3,696	399	12.1%
LEOFF I Medical Reserve Fund	12,958	7,640	(5,318)	(41.0%)
Marina Fund	1,597	1,662	66	4.1%
Park M&O Reserve Fund	6,813	6,774	(39)	(0.6%)
Unemployment Compensation Fund	871	899	28	3.2%
Workers' Compensation Fund	5,036	5,493	457	9.1%
<b>Subtotal Other Operating Funds</b>	<u>123,819</u>	<u>130,311</u>	<u>6,493</u>	<u>5.2%</u>
<b>Total Operating Budget</b>	<u><u>\$876,790</u></u>	<u><u>\$954,150</u></u>	<u><u>\$77,360</u></u>	<u><u>8.8% *</u></u>

Figures may not foot due to rounding

\*Does not adjust for double budgeting.

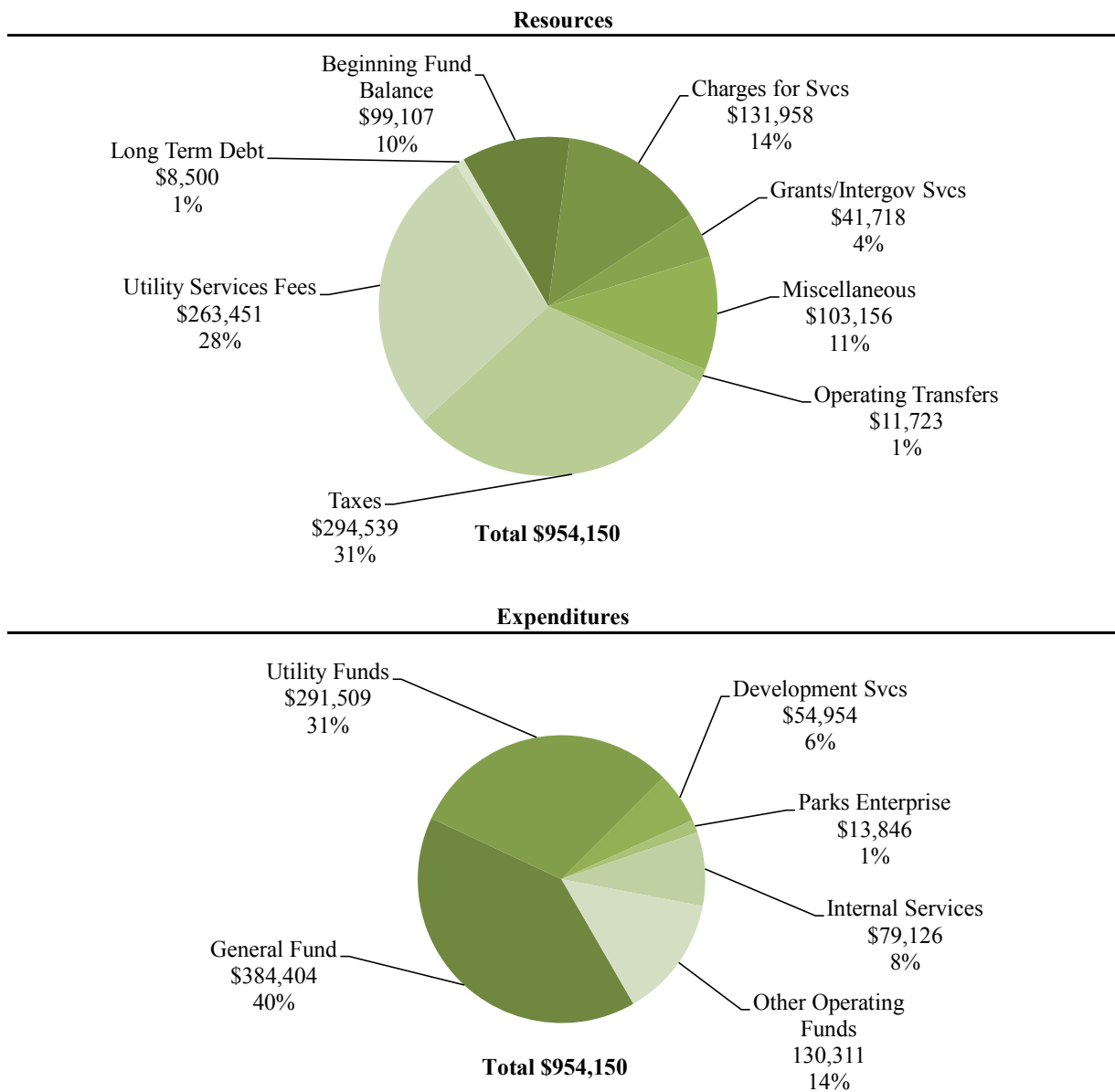
## Expenditure Summary

**Figure 8b-10**

**2015-2016 Operating Budget  
Resources by Source and Expenditures by Group  
\$000**

Figure 8b-10 presents the 2015-2016 total operating budget resources (by source) and expenditures (by group). At 31 percent of the pie, taxes represent the largest resource category followed by utility services fees and charges for services. Together, these three sources represent 73 percent of operating budget resources.

The General Fund is the largest operating budget fund at \$384 million; it represents 40 percent of expenditures.



Figures may not foot due to rounding



## Expenditure Summary

### D. Total Special Purpose Budget

The **Operating Grants and Donations Fund** decreases due to projections for fewer grants being received.

The **I&D Redemption - Regular Levy Fund** decreases due to the payoff of the existing line of credit in 2013. The 2015-2016 budget does not include any line of credit borrowing.

**Figure 8b-11**

**2015-2016 Special Purpose Budget  
Expenditures and Reserves by Fund  
\$000**

<b><u>Special Purpose Budget</u></b>	<b><u>2013-2014 Amended Budget</u></b>	<b><u>2015-2016 Budget</u></b>	<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
<b>Grants</b>				
Operating Grants & Donations Fund	\$8,853	\$5,951	(\$2,902)	(32.8%)
<b>Subtotal Grants</b>	<u>8,853</u>	<u>5,951</u>	<u>(2,902)</u>	<u>(32.8%)</u>
<b>Debt Service</b>				
I&D Redemption-Regular Levy Fund **	\$46,683	\$31,935	(14,748)	(31.6%)
LID Control Fund **	1,297	1,012	(285)	(22.0%)
LID Guaranty Fund **	598	1,055	457	76.3%
<b>Subtotal Debt Service</b>	<u>48,578</u>	<u>34,002</u>	<u>(14,576)</u>	<u>(30.0%)</u>
<b>Trust/Other</b>				
Firemen's Pension Fund **	\$7,406	\$7,195	(211)	(2.9%)
Housing Fund	5,331	5,305	(25)	(0.5%)
<b>Subtotal Trust/Other</b>	<u>12,737</u>	<u>12,500</u>	<u>(237)</u>	<u>(1.9%)</u>
<b>Total Special Purpose Budget</b>	<u><u>\$70,168</u></u>	<u><u>\$52,453</u></u>	<u><u>(\$17,715)</u></u>	<u><u>(25.2%)</u></u>

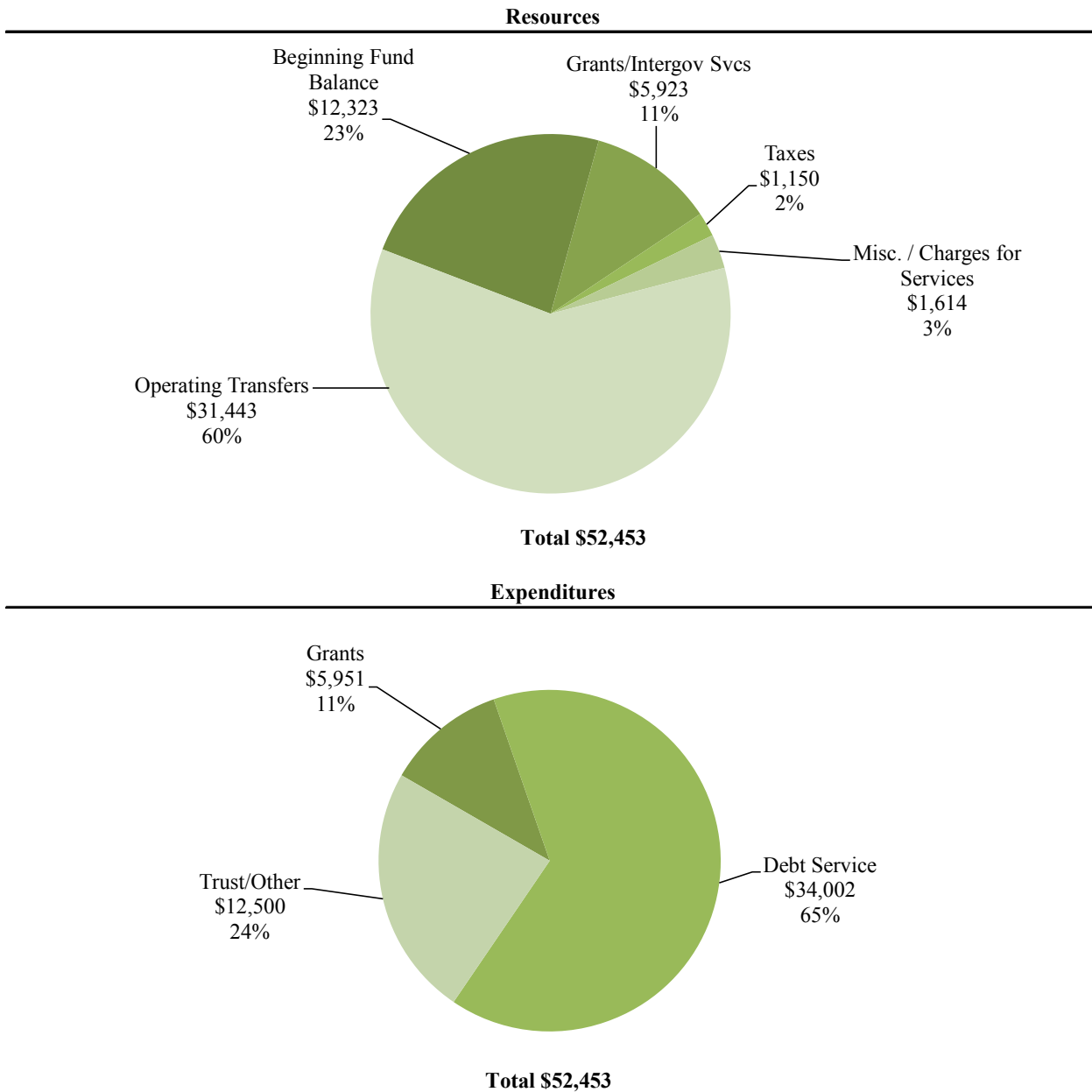
\*\* Funds listed with a double asterisk are not appropriated during this process.

## Expenditure Summary

**Figure 8b-12**

**2015-2016 Special Purpose Budget  
Resources by Source and Expenditures by Group  
\$000**

Figure 8b-12 depicts the resource and expenditure budget for the city's special purpose funds (not including the three capital funds). For the purposes of this display, resources have been categorized into five main components. Excluding transfers between funds, the largest resource category is the beginning fund balance at 23 percent (\$12 million). This is primarily due to large reserves being held in some of these funds (e.g., Firemen's Pension Fund) to cover anticipated future expenses. The largest expenditure category is debt service at 65 percent (\$34 million).



Figures may not foot due to rounding.



## Expenditure Summary

### E. Total Capital Investment Budget

Bellevue's Capital Investment Program (CIP) Plan presents a schedule of major public facility improvements for implementation within a seven-year period.

Figure 8b-13 presents the CIP expenditure budget by Outcome and Fund.

The General CIP Fund increase is partially due to property acquisitions required by the Sound Transit MOU and the City's alignment of major transportation projects with the development of the East Link Light Rail in order to leverage City funds. There are also a number of large-scale Parks projects under development during the 2015-2021 CIP.

### Utilities CIP

Utilities CIP increases reflect replacement of aging infrastructure and capacity projects to support anticipated growth. In addition Utilities CIP reserves include repayment of a \$15M interfund loan to the General Capital Investment Fund, and budgets the potential for another \$15M in issuance as authorized by Council in October 2013, and additional transfers to Renewal and Replacement reserves.

Figure 8b-13

**2015-2016 Capital Investment Program Budget  
Expenditures and Reserves by Outcome  
\$000**

	2013-2014 Amended Budget	2015-2016 Budget	\$ Change	% Change
<b>General Capital Investment Program Fund</b>				
<b>Base CIP</b>				
Economic Growth and Competitiveness	\$100	\$9,373	\$9,273	9273.3%
Healthy and Sustainable Environment	1,000	0	(1,000)	(100.0%)
Improved Mobility	136,102	95,110	(40,992)	(30.1%)
Innovative Vibrant and Caring Community	42,040	41,596	(444)	(1.1%)
Quality Neighborhoods	2,000	2,650	650	32.5%
Safe Community	5,361	11,968	6,607	123.2%
Responsive Government	9,545	11,544	1,998	20.9%
Interfunds	0	17,982	17,982	na
Debt/Reserves	41,668	36,374	(5,294)	(12.7%)
<b>Subtotal Base CIP</b>	<b>\$237,817</b>	<b>\$226,597</b>	<b>(\$11,219)</b>	<b>(4.7%)</b>
<b>Utility Capital Investment Program Fund</b>				
<b>Base CIP</b>				
Healthy and Sustainable Environment	\$53,113	\$74,616	\$21,503	40.5%
Improved Mobility	1,099	0	(1,099)	(100.0%)
Interfunds	11,692	0	(11,692)	(100.0%)
Reserves	95,112	151,237	56,125	59.0%
<b>Subtotal Utility Capital Investment Program Fund</b>	<b>\$161,016</b>	<b>\$225,853</b>	<b>\$64,837</b>	<b>40.3%</b>
<b>Total Capital Project Budget</b>	<b>\$398,834</b>	<b>\$452,450</b>	<b>\$53,617</b>	<b>13.4%</b>



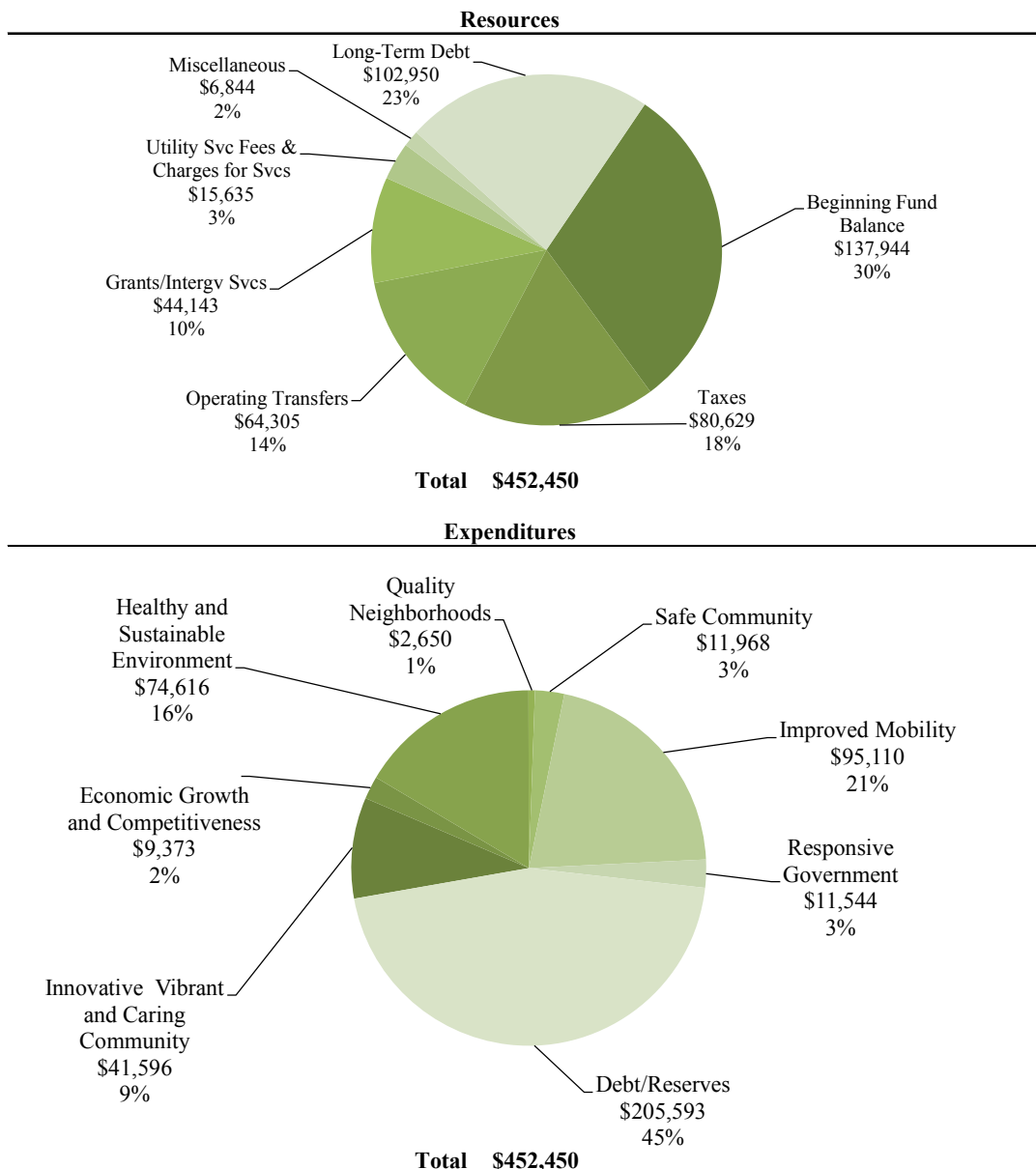
## Expenditure Summary

**Figure 8b-14**

**2015-2016 Capital Investment Program Budget  
Resources by Source and Expenditures by Outcome  
\$000**

Figure 8b-14 depicts the resource and expenditure budget for the city's two capital investment program (CIP) funds. Resources have been divided into eight categories. The largest are: beginning fund balance (representing the utilities reserve and replacement funds for future capital improvements), taxes and operating transfers, which together use 62 percent of the CIP funds.

The expenditure pie has been divided into the eight Outcomes. Excluding Debt Service/Reserves, the largest use of CIP funds occur in the Improved Mobility and Healthy & Sustainable Environment Outcomes, which together use 37 percent of the CIP funds.



Figures may not foot due to rounding.



## Expenditure Summary

### **F. Total Debt Information – Based on Statutory Limits**

State Law enables the City to issue debt for three general categories of use: General Government, Park and Open Space, and the Utility System. The debt issued in each category is limited to 2.5 percent of the City's assessed valuation (for a total limit of 7.5 percent). In addition, the State Constitution also allows for non-voted (councilmanic) debt limited to 1.5 percent of the City's assessed valuation, to be included within the General Government 2.5 percent limit. Such councilmanic debt can be funded by Property Taxes, but does not result in an increase to Regular Levy Property Taxes. Publicly-voted bonds (which exclude councilmanic debt) require a 60 percent majority approval for passage of a bond election and a total voter turnout of at least 40 percent of the total votes cast in the last general election. Publicly-voted bonds are funded by Voted Levy Property Taxes and the approval of these bonds results in an increase to Voted Levy Property Taxes.

## Expenditure Summary

Figure 8b-15 exhibits by category the City's total general obligation debt capacity, the amount of debt issued, and the allocation of remaining debt capacity between voted and councilmanic limits. As of January 1, 2015, the City's remaining general government debt capacity was approximately \$820 million, approximately \$413 million in voted capacity and \$407 million in councilmanic capacity. The approximate remaining debt capacity for park and open space use is \$1.03 billion and for utility system use is \$1.03 billion.

**Figure 8b-15**  
**Total Debt Capacity and Debt Issued**  
**as of January 1, 2015**  
**(\$ Millions)**

Maximum Legal Capacity =  $\$41,326 \times 0.025 = \$1,033$

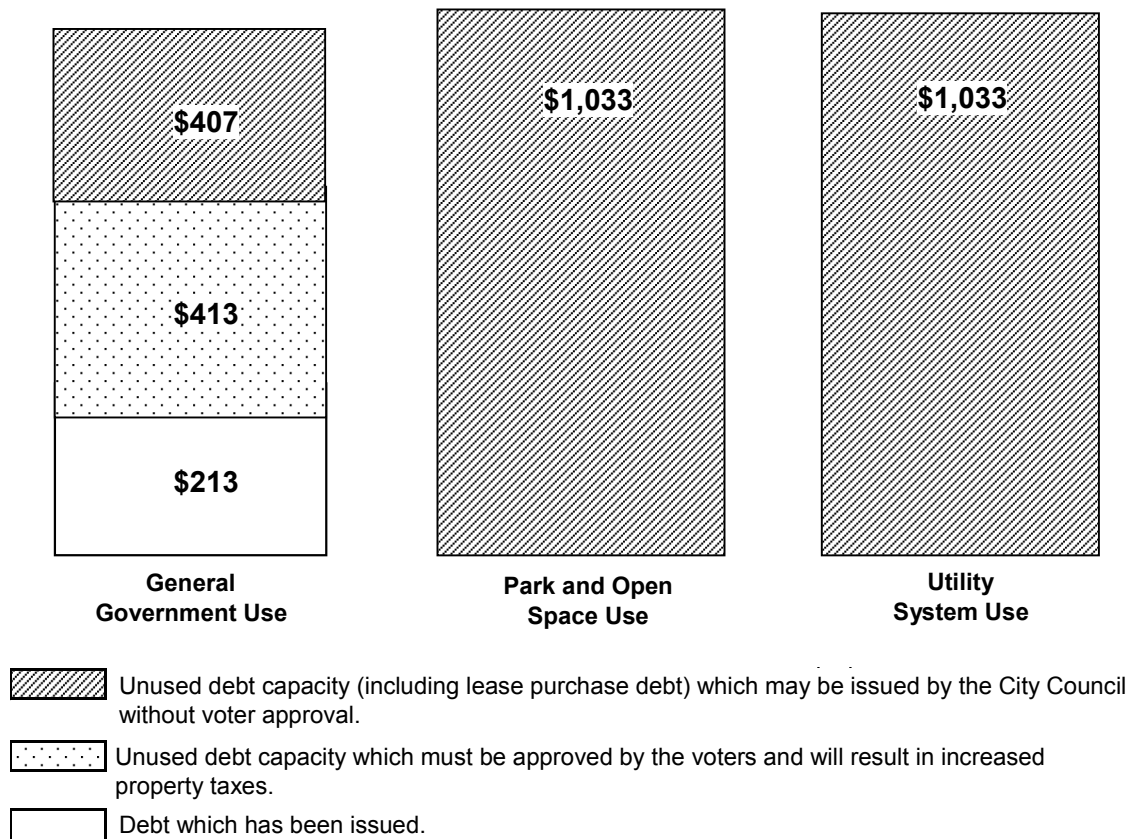


Figure 8b-16 presents detailed information on the City's General Obligation and Revenue Bond debt. For each debt issue, this figure lists the amount issued, the issue and maturity dates, interest rate, source of debt payment funding, and the debt service requirements included in the 2015-2016 Budget.

## Expenditure Summary

**Figure 8b-16**  
**GENERAL OBLIGATION AND REVENUE BOND DEBT INFORMATION**  
**\$000**

	Original Amount Issued	Issue Date	Final Maturity Date	Interest Rate	Source of Debt Service Funding	2015-2016 Debt Service Requirement	
						Principal	Interest
<b>Non-Voted General Obligation (G.O.) Bonds:</b>							
1995 Limited G.O.	\$5,140	1995	2025	5.15 - 5.80%	Hotel/Motel Taxes	\$478	\$1,042
2006 Limited GO (City Building II)	6,060	2006	2026	3.80 - 4.25%	Sales Tax	570	323
2008 Limited GO (Supplemental CIP)	14,230	2008	2027	3.00 - 4.25%	Sales Tax	1,300	770
2010 Limited GO Refunding (Marina)	3,280	2010	2018	2.00 - 3.00%	Moorage Fees	760	86
2010 Limited GO Refunding (BCCA)	9,595	2010	2032	2.00 - 4.00%	Hotel/Motel Taxes	700	592
2010 Limited GO (Mobility Infrastructure Initiative)	11,825	2010	2030	2.00 - 5.00%	Sales Tax	960	769
2012 Limited GO Refunding (City Building)	55,875	2012	2039	2.00 - 5.00%	Sales Tax	3,285	5,121
2012B Limited GO Refunding (City Building)	43,185	2012	2043	2.00 - 5.00%	Sales Tax	115	3,784
2013 Limited G.O. (Sound Transit)	62,605	2013	2032	2.00 - 5.00%	Sales Tax	4,425	5,246
2013 Limited G.O. (Local Revitalization Financing)	7,800	2013	2037	2.00 - 5.00%	Sales Tax	380	615
2015 Limited G.O. (BCCA Capital Improvements) <sup>(1)</sup>	8,500	2015	2034	2.00 - 5.00%	Sales Tax	305	295
Subtotal Non-Voted G.O. Bonds	\$228,095					\$13,278	\$18,643
<b>Revenue Bonds:</b>							
1991 Bellevue Convention Center Authority, Series B <sup>(2)</sup>	\$21,120	1991	2019	5.70 - 7.20%	BCCA	\$1,124	\$5,371
1994 Bellevue Convention Center Authority Refunding <sup>(2)</sup>	13,749	1994	2025	5.60 - 6.60%	BCCA	1,127	4,003
Subtotal Revenue Bonds	\$34,869					\$2,251	\$9,374
<b>TOTAL GENERAL OBLIGATION AND REVENUE BONDS</b>	<b>\$262,964</b>					<b>\$15,529</b>	<b>\$28,017</b>

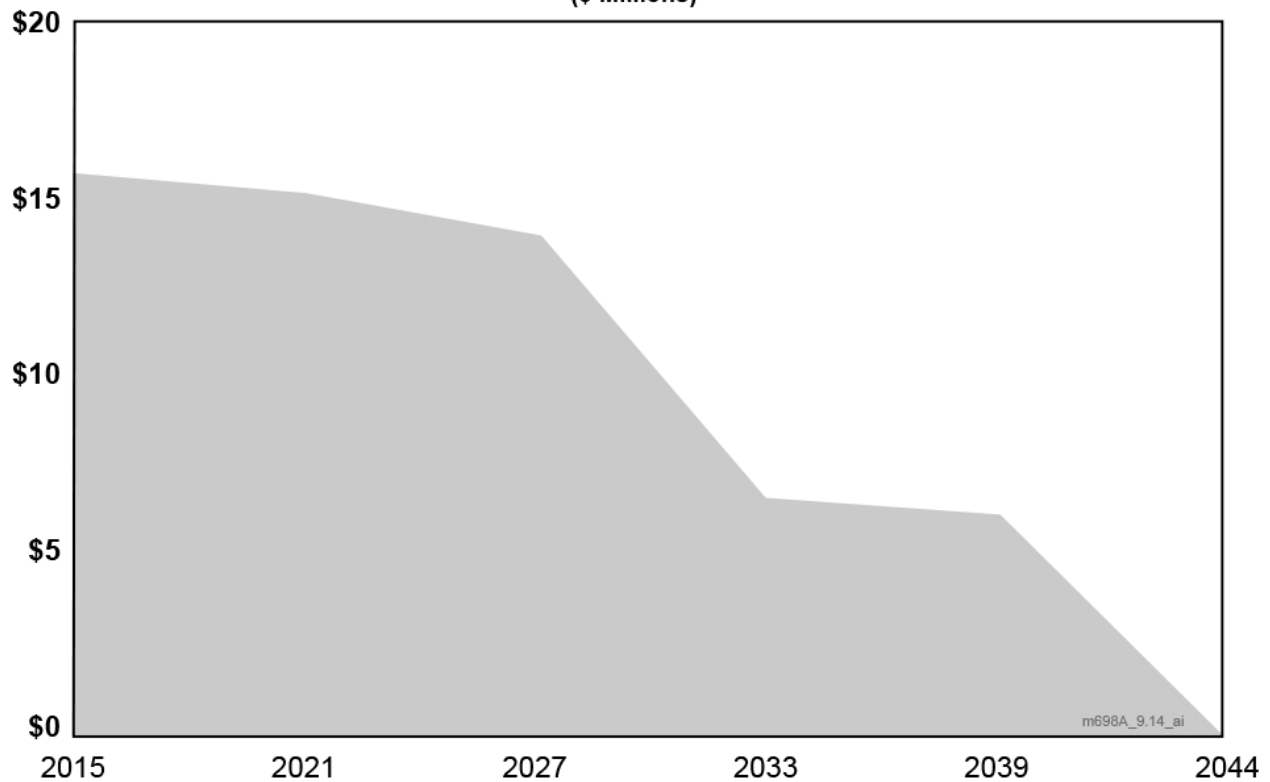
<sup>(1)</sup> The BCCA Capital Improvement Bonds were authorized by the City Council on August 4, 2014. The Bonds will be issued by June 2015.

<sup>(2)</sup> The Bellevue Convention Center Authority (BCCA) is a component unit of the City for financial reporting purposes. The Authority's revenue bonds are secured by Lease Purchase Rental payments from the City paid for with Hotel/Motel Tax revenues and other revenues of the City available without a vote of the City's electors.

## Expenditure Summary

Figure 8b-17 presents the annual debt service requirements for the City's councilmanic (non-voted) debt through 2044. The 2015 debt service requirements are \$15.7 million for councilmanic debt. If no further debt is issued, the final debt payment for the councilmanic debt occurs in 2043. This graph shows the City's annual debt service requirements decreasing over time.

**Figure 8b-17**  
**ANNUAL DEBT SERVICE REQUIREMENTS**  
**FOR EXISTING NON-VOTED GENERAL OBLIGATION BONDS**  
(\$ Millions)





## Expenditure Summary

### CITY BOND RATINGS

On January 1, 2015 the City held the following bond ratings:

<u>Bond Type</u>	<u>Standard and Poor's</u>	<u>Moody's</u>
Unlimited Tax General Obligation	AAA	Aaa
Limited Tax General Obligation	AAA	Aa1
Revenue	N/A	Aa1